

Administration of Joseph R. Biden, Jr., 2022

Remarks on Pension Security for Union Workers and Retirees

December 8, 2022

Thank you all for being here. And I apologize for my back when I'm speaking to you. My mother would give me hell for doing that. *[Laughter]* But, Ken, thank you for the introduction and for representing your brothers and sisters in organized labor and—who always, always get the job done.

While you can't—while they can't be here today, I want to thank Schumer—Leader Schumer and Speaker Pelosi, Senators Brown, Patty Murray, Ron Wyden for their leadership on this issue as well.

And I want to thank all the Members that are here. Richie, it's good to see you, pal—and who leads the powerful House Ways and Means Committee and saw this legislation and—to the end and saw it though.

And, Tammy Baldwin, he's mildly prejudiced about your position and from the—that State you represent. Tina Smith, Representative Bobby Scott, Marcy Kaptur—a great friend, and Frank Mrvan: Thank you all for being here.

And a special thanks to Labor Secretary Marty Walsh, Teamster General President Sean O'Brien, AFL–CIO President Liz Shuler for believing what I believe: that the middle class built America and unions built the middle class.

We all know, in recent years, the middle class has been hit pretty hard. Unions have been under attack. We've had an economy—an economy that didn't feel like it worked enough—worked enough—for working people.

A pandemic made things a lot worse, and that's when I signed the American Rescue Plan to provide economic relief for folks who needed it and needed it the most, keeping tens of thousands of cops and firefighters, teachers, first responders on the job as State revenues dried up during the pandemic in all 50 States.

And through the American Rescue Plan, we laid the foundation for an economy built from the bottom up and the middle out. I'm—the press is tired of hearing me say this, but you know, when the poor have a ladder up and the middle class are able to prosper, the wealthy do very well. Everybody benefits. Trickle down doesn't usually get down to the bottom.

One of the big ways we did that was by including the Butch Lewis Act that shored up the pension plans for millions of union workers and represents the most significant investment in pension security for union workers and retirees in the past 50 years.

This summer, I went to Cleveland to announce how we'd get this going and get it done: over \$80 billion to keep multiemployer pension plans for union workers and retirees solvent for decades to come. And today my administration is announcing that \$36 billion of that money was going to prevent the drastic cuts to workers' hard-earned pension benefits, cuts that had been scheduled to occur within the next few years. That's not going to happen. The cuts are not going to occur.

And here's what it means. For years and years, union workers have been driving trucks from factories to stores, bagging groceries, constructing the buildings and the bridges and the roads they use—that we use every day, and so much more.

I just want pause for a second and say, you know, imagine if you're not a union worker, you have a good job, you're retiring—about to retire and you find out your pension plan is going to be cut 60 percent. Imagine what that does. Imagine what that does to you. They're truck drivers, warehouse workers, iron workers, bricklayers, carpenters, laborers, plumbers, musicians, food workers, and so many more people.

A lot of businesses aren't willing or able to run their own pension plans, and in some industries, workers can be employed by several different employers over time. So working with the unions that represent their employees, businesses in the same industry often join together to form multiemployer pension plans. These plans serve 11 million workers and retirees across the country.

And with each paycheck they earn, their employers put money into the pension plan. Like so many Americans, they work hard today to secure a retirement for tomorrow.

But over the years, due to changing economic trends, persistent attacks on unions, over 200—over 200—of these multiemployer plans were facing potential insolvency. That meant 2 to 3 million workers, through no fault of their own—they kept their end of the bargain—faced painful cuts to the benefits they were counting on in retirement.

Think about that: For 30, 40, 50 years, you work hard every single day to provide for your family. You do everything right. You track every dollar of that paycheck for groceries, for mortgages. You need every penny of it. And while knowing that when it's time to retire though, the pension you earned is going to be there—that security.

But then imagine losing half of that pension or more through no fault of your own. You did your part. You paid in. Imagine what it does financially to your peace of mind, what it does to your dignity. Your dignity. Because you counted on not having to rely on anybody to retire. It's about dignity.

You heard me say it before, my dad used to say it: A job is about a lot more than a paycheck; it's about your dignity. It's about being able to look your kid in the eye and say, "Everything is going to be okay, honey." Just simple dignity. And then you found out it wasn't going to happen. You weren't going to have that pension.

So, with the American Rescue Plan, we included the Butch Lewis Act—named after an Army veteran and a true champion of union workers—to protect the pensions you all worked so damn hard for, pensions you sacrificed to secure. And today my administration is announcing the single largest approval of funds from the Butch Lewis Act: \$36 billion to cover—[*applause*—to cover over 1,000 employers, 350,000 union workers and retirees.

These union workers and retirees are facing cuts up to 60 percent of their benefits, starting in the next few years, if we hadn't acted. That means some folks would stand to lose \$10,000 each and every year of their retirement. That's how much they'd lose each and every year of their retirement, the money they earned.

Instead, thanks to today's announcement, tens of thousands of union retirees and workers in states like Ohio, Michigan, Texas, Minnesota, Wisconsin, Missouri can go to bed tonight knowing their pension they worked so damn hard for is going to be there for them when they need it.

So I want to thank everyone at the Pension Benefit Guaranty Corporation who worked so hard to make this program work, including the Director who's here today. Thanks, Gordon, for being here. I really do appreciate your work and being here.

This matters—[*applause*]. This matters for workers. But every time I say, "This matters for workers," I think to myself: This matters for their spouses, this matters for their kids, this matters

for their mothers and fathers who they're taking care of. It matters. It matters. It matters for their families. It matters for the country.

And let me close with this. I campaigned to restore the backbone of this country: the middle class, the unions. And over the last 2 years, that's what we've been doing. Americans are working. The economy is growing. And incomes are rising faster than inflation.

And earlier this year, I was in Phoenix to announce a \$40 billion investment in two semiconductor factories with thousands of union workers helping to build those factories. And our plan is to build an economy from the bottom up and middle out, and it's working. It's working.

As I said, my dad used to say: A paycheck is a lot more than—you know, it's about your dignity. It's about your place in the community. It's about everything you've worked for.

You know, the fact is that we're in a situation that's about defining—a dignified retirement in a home and a community you worked in and lived in and not have to leave. So thanks, today for—thanks to today's announcement, hundreds of thousands of Americans can feel that sense of dignity again, knowing that they provided for their families in the future and that it's secure.

So God bless you all, and may God protect our troops. Thank you, thank you, thank you.

NOTE: The President spoke at 2:24 p.m. in the South Court Auditorium of the Dwight D. Eisenhower Executive Office Building. In his remarks, he referred to Kenneth W. Stribling, president, National United Committee to Protect Pensions (NUCPP); Rep. Richard E. Neal; and Gordon Hartogensis, Director, Pension Benefit Guaranty Corporation.

Categories: Addresses and Remarks : Union workers and retirees, pension security.

Locations: Washington, DC.

Names: Baldwin, Tammy S.; Brown, Sherrod C.; Hartogensis, Gordon; Kaptur, Marcia C.; Mrvan, Frank J.; Murray, Patricia L.; Neal, Richard E.; O'Brien, Sean M.; Pelosi, Nancy; Schumer, Charles E.; Scott, Robert C.; Shuler, Elizabeth H.; Smith, Tina Flint; Stribling, Kenneth W.; Walsh, Martin J.; Wyden, Ronald L.

Subjects: COVID-19 pandemic; Economic improvement; Economic stimulus legislation; Household income and wages; Inflation; Labor movement and organized labor; Pension Benefit Guaranty Corporation; Pensions and retirement accounts, strengthening efforts; Secretary of Labor; Semiconductor manufacturing; Senate majority leader; Speaker of the House of Representatives.

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